197.2 - FALTA SPECIAL ECONOMIC ZONE

SUPPLEMENTARY AGENDA POINT FOR 197th UAC (6th OF 2025 SERIES) TO BE HELD ON 23/07/2025

Supplementary Agenda Item No.197.2 (Sup -I)

Sub: Non-performance of M/s Antarctica Ltd for Financial Year 2020-21 to 2023-24 [i.e. 1st to 4th year of current (6th) Block]

M/s Antarctica Limited had been permitted vide Letter of Approval No. FEPZ/LIC/A-13/92/979 dated 29-03-1993 (LoA) for manufacturing and export of printing / printed packaging material [ITC(HS) code: 48192010] from Falta Special Economic Zone. The LoA was valid upto**31.03.2025**.

It was observed from the Annual Performance Reports that the unit had not made any exports / earned zero NFE (Net Foreign Exchange) during the period from Financial Year (FY) 2020-21 to FY 2023-24 [i.e. 1st to 4th year of 6th Block].

The Unit vide their letter dated 23/05/2024 intended to de-bond from Falta SEZ. This Office vide letter dated 28/05/2024, 26/09/2025 and 18/11/2025 intimated the Unit regarding the process/ procedures of de-bonding and/ or road map for resumption of activities at Falta SEZ.

The Unit was show caused vide this Office letter No. FSEZ/LIC/A-13/1992/1449 dated 13/01/2025 as to why the LoA should not be cancelled for such a non-performance, u/s 16 of the Special Economic Zone Act, 2005 and penalty should not be imposed under the provisions of Foreign Trade (Development & Regulations) Act, 1992 for persistent and contravention of its Letter of Approval obligations.

In reply to the SCN by the Unit vide letter dated 25/01/2025, this office vide letter dated 06/02/2025 informed the Unit to exist from FSEZ within one month by completing all the required formalities, failing which actions would be initiated for cancellation of LoA. The Unit vide letter dated 28/02/2025 requested to extend the validity of LoA till **30/06/2025** for completion of exit process and this Office vide letter dated 06/03/2025 accorded the approval for the same period.

However, the Unit could not complete the exit / de-bonding process during the extended validity period (i.e. 30/06/2025).

The Unit was called for Personal Hearing on 17/07/2025 and thereat Mrs. J. Kuthari and Mr.S. Rakhit, Manager of M/s Antarctica Limited appeared before the competent authority and agreed to above facts. They have agreed for cancellation of subject LoA and also agreed to pay (i) the outstanding rent and (ii) APR for FY 2024-25.

The unit is obligated to make exports / earn NFE during validity of the LoA, in terms of the Special Economic Zones Act, 2005 and the Special Economic Zones Rules, 2006. The continuous non-performance of the unit for four years (zero exports and NFE earning), from FY 2020-21 to FY 2023-24, appears persistent and gross contravention of their LoA obligation.Furthermore, the Unit did not fulfil the exit requirements despite repeated request, which is also a persistent contravention of their obligation.

Section 16(1) of the Special Economic Zone Act, 2005 states, that "*The Approval Committee may, at any time, if it has any reason or cause to believe that the entrepreneur has persistently contravened any of the terms and conditions or its obligations subject to which the Letter of Approval was granted to the entrepreneur, cancel the Letter of Approval: PROVIDED that no such Letter of Approval shall be cancelled unless the entrepreneur has been afforded a reasonable opportunity of being heard.*"

Rule 54(2) of the Special Economic Zones Rules, 2006 states that, "*In case the Approval Committee comes to the conclusion that a Unit has not achieved positive Net Foreign Exchange Earning, or failed to abide by any of the terms and conditions of the Letter of Approval or Bond-cum-Legal Undertaking, without prejudice to the action that may be taken under any other law for the time being in force, the said Unit shall be liable for panel action under the provisions of the Foreign Trade (Development and Regulation) Act,1992.*"

In view of above facts, figures and rule positions, the UAC may consider for cancellation of Letter of Approval of the unit u/s 16 of SEZ Act, 2005 and imposition of penalty upon the unit under the provisions of Foreign Trade (Development and Regulation) Act, 1992 for their said contravention of obligations.

197.4 - M/s CANDOR KOLKATA ONE HI-TECH STRUCTURES PVT LTD SPECIAL ECONOMIC ZONE

SUPPLEMENTARY AGENDA POINT FOR 197th UAC (6th OF 2025 SERIES) TO BE HELD ON 23/07/2025

Supplementary Agenda Item No.197.4 (Sup -I)

Sub: Request from M/s TCS Ltd for merger of its all four (4) units into one unit situated at Candor Kolkata IT/ITES SEZ.

M/s **TCS Ltd**requested vide letter no TCSL/CANDORSEZ/Merger/11/07/2025 dated 11/07/2025 for the merger of LOA of all four units into one unit of same company situated at Candor Kolkata IT/ITES SEZ.

The details are as under:

Sr No.	Unit name	LOA No.	Commencement of operation (DCP)	LOA expiry date
1.	M/s TCS Ltd	SEZ/IT-ITES/ER/U-12/2008/351 Dated 11.11.2009	03.05.2010	02.05.2030
2.	M/s TCS Ltd	SEZ/IT-ITES/ER/U-14/2010/434 Dated 23.04.2010	06.12.2010	05.12.2025
3.	M/s TCS Ltd	SEZ/LIC/T-9(Unitech)/2011/593 Dated 16.05.2011	01.10.2011	30.09.2025
4.	M/s TCS Ltd	SEZ/LIC/T-10(Unitech)/2011/3111 Dated 24.10.2011	10.09.2012	09.09.2027

The Management of M/s TCS Ltd intends **to merge all the fourunits into one unit having LOA No. SEZ/IT-ITES/ER/U-12/2008/351 Dated 11.11.2009** because of operational ease, financial consolidation, maintaining better compliance, etc. They would like to retain LOA of first unit i.e. LOA No:SEZ/IT-ITES/ER/U-12/2008/351 Dated 11.11.2009 and its validity is upto 02.05.2030.

After the proposed merger, the projection of export and NFE of the said 1st unit are given below in tabular form:

Sl. No.	Year	Export(In Lakhs)	Outgo(in Lakhs)	NFE (in Lakhs)
1	2025-26	4,38,392.68	1,06,388.82	3,32,003.86
2	2026-27	4,60,312.32	1,11,293.68	3,48,604.05
3	2027-28	4,83,327.93	1,17,293.68	3,66,034.25
4	2028-29	5,07,494.33	1,23,158.36	3,84,335.97

5	2029-30	5,32,869.04	1,29,316.28	4,03,552.76
		24,22,396.30	5,87,865.41	18,34,530.89

The projected employment and investment post-merger is 11979 nos. and Rs. 318.84 Crores respectively in the next five years.

Further, unit has undertaken that they will abide by all the SEZ norms and rules made under the Act & Rules, (i) there would be no changes in Directors and shareholding pattern, (ii) there would be no changes in SEZ floor area.

Rule Provision: The 3rd proviso of SEZ Rule 19(2) says "Provided also that the UAC may also approve proposals for merger of LOAs of two or more units of the company subject to the conditions that these Unit falls within the same SEZ and after merger, block period for calculation of NFE shall be from DCP of the unit which commenced operation first and Income Tax exemption period shall be considered from the date of start of operation of the first unit."

The **DOC's instruction 109 dt 18/10/2021** also said that any reorganization like Business transfer arrangement may be undertaken by UAC subject to unit shall not opt out for exit from SEZ.

The matter is placed before UAC for consideration, in light of 3rd proviso of Rule 19(2) of SEZ Rules, 2006 and DOC's instruction 109 dtd. 18/10/2021 please.

197.5- M/s TATA CONSULTANCY SERVICES LIMITED SPECIAL ECONOMIC ZONE, NEW TOWN, KOLKATA

SUPPLEMENTARY AGENDA POINT FOR 197th UAC (6th OF 2025 SERIES) TO BE HELD ON 23/07/2025

Supplementary Agenda Item No.197.5 (Sup -I)

Sub: Request from M/s TCS Ltd. for merger of its all two (2) units situated at TCS IT/ITES SEZ, Plot No.IIF/3, Action Area-II, New Town, Kolkata.

M/s Tata Consultancy Services Limited has requested vide letter no TCSL/SEZ/Merge/11/07/2025/01 dated 11/07/2025 for the merger of LOA of its two units of the same Company situated at TCS IT/ITES SEZ, New Town, Kolkata.

The details appended below:

Sr No.	Unit name	LOA No. & Date	Commencement of operation (DCP)	LOA valid upto
1.	M/s TCS Ltd (Unit-I)	FSEZ/LIC/T-25/2014/3719 Dated 14.02.2014	19.05.2014	18.05.2029
2.	M/s TCS Ltd (Unit-II)	FSEZ/LIC/T-26/2019/1841 Dated 19.08.2019	20.03.2020	19.03.2030

The Management of M/s TCS Ltd. intends**to merge its two (02)units into one unit, having LOA No. FSEZ/LIC/T-25/2014/3719 dated 14.02.2014** because of operational ease, financial consolidation, maintaining better compliance, etc. They would like to retain LOA of first unit i.e. LOA No: FSEZ/LIC/T-25/2014/3719 dated 14.02.2014 and its validity is upto 18.05.2029.

After the proposed merger, the projection of export and NFE of the said 1st unit are given below in tabular form:

Sl. No.	Year	Export(In Lakhs)	Outgo(in Lakhs)	NFE (in Lakhs)
1	2025-26	1,292,997.65	408,188.12	884,809.53
2	2026-27	1,357,647.53	428,597.53	929,050.00
3	2027-28	1,425,529.91	450,027.40	975,502.50
4	2028-29	1,496,806.40	472,528.77	1,024,277.63
5	2029-30	1,571,646.72	496,155.21	1,075,491.51
		7,144,628.20	2,255,497.03	4,889,131.17

Projected 'Employment' and 'Investment' post-merger is 26996 nos. and Rs. 26,441.38 Crores respectively in the next five years.

Further, the unit has undertaken that they will abide by all the SEZ norms and rules made under the Act & Rules, (i) there would be no changes in Directors and shareholding pattern and (ii) there would be no changes in SEZ floor area.

Rule Provision: The 3rd proviso of SEZ Rule 19(2) says *"Provided also that the UAC may also approve proposals for merger of LOAs of two or more units of the company subject to the conditions that these Unit falls within the same SEZ and after merger, block period for calculation of NFE shall be from DCP of the unit which commenced operation first and Income Tax exemption period shall be considered from the date of start of operation of the first unit."*

Ibid matter is placed before UAC for consideration, in light of 3rd proviso of Rule 19(2) of SEZ Rules, 2006 please.

197.3 - MONITORING OF ANNUAL PERFORMANCE OF SEZ UNITS

SUPPLEMENTARY AGENDA POINT FOR 197th UAC (6th OF 2025 SERIES) TO BE HELD ON 23/07/2025

Supplementary Agenda Item No.197.3 (Sup -I)

Monitoring of Annual performance for the FYs 2021-22 to 2023-24on the basis of APRs
Name of the Govt SEZ/ Private SEZ: Falta Special Economic Zone

a.	Name of the Unit	M/s. Antarctica Limited **(IEC Code: 0288020839)**
b.	SEZ name	**Falta SEZ**
c.	LoA No. & date	FEPZ/LIC/A-13/1992/979 dtd 29.03.1993
d.	LoA valid upto	31/03/2025
e.	Date of Commencement of Production (DCP)	01.06.1995
f.	Authorized operation of the unit	Printing/Printed Packaging Materials
g.	Performance monitored upto block year	2020-21
h.	**Performance [Annual Performance Report (APR)] to be monitored for block year**	**2nd Year (2021-22) to 4th Year (2023-24) of 6th Block**

2. Block years of the unit as per DCP:

1st Block	1995-96	1996-97	1997-98	1998-99	1999-2000
2nd Block	2000-01	2001-02	2002-03	2003-04	2004-05
3rd Block	2005-06	2006-07	2007-08	2008-09	2009-10
4th Block	2010-11	2011-12	2012-13	2013-14	2014-15
5th Block	2015-16	2016-17	2017-18	2018-19	2019-20
6th Block	2020-21	**2021-22**	**2022-23**	**2023-24**	

3. Export performance of the block year being monitored:

(Rs in Lakhs)

Block: 6th	Free on Board value of exports		Net Foreign Exchange (NFE) earned	
	Projection for the Block	Actual as per APR	Projection for the Block	Actual as per APR
Year 1 (2020-21)	110.00	00	100.00	00
Year 2 (2021-22)	**120.00**	**00**	**105.00**	**00**

Year 3 (2022-23)	**130.00**	**00**	**110.00**	**00**
Year 4 (2023-24)	**140.00**	**00**	**115.00**	**00**
Year 5 (2024-25)	150.00	N.A	120.00	N.A
Total	**650.00**	**00**	**550.00**	**00**

4. **DTA sales made in the block year being monitored** (Rs. in lakhs): **0.70 L** (= 0.55 in FY 2021-22 and 0.15 in FY 2023-24)**as per APRs**

5. **Investment made (since inception) & employment generated**

Investment (Rs. in Crore)		Employment	
Proposed	Actual as per APR	Proposed	Actual as per APR
00	**00**	Male : 12	Male : **05**

6. **Delay in APR submission**

Block year	Date of APR submission	No. of days delay
2021-22	26/04/2023	**10 months 25 days**
2022-23	23/12/2024	**14 months 22 days**
2023-24	23/12/2024	**2 months 22 days**

7. **Cases pending for Foreign Exchange (FOREX) realization**

Date of export	Name & address of importer	Pending FOREX amount (in INR)
N.A	N I L	**NIL**

8. **Outstanding lease rental dues on a/c of the unit as on 31.12.2024: FSEZA will confirm/ finalize the same in light of the Court Order.**

In accordance to Rule 54 of SEZ Rules, 2006, the performance of the Unit to be monitored and thus monitoring of APRs for the FYs 2021-22 to 2023-24 in r/o M/s Antarctica Ltd is placed before the 197th UAC for consideration please.